

**ARTICLES OF INCORPORATION
OF
PACIFIC UNION COLLEGE ASSOCIATION**

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, citizens and residents of the State of California, do hereby voluntarily associate ourselves together for the purpose of incorporating a Corporation without pecuniary profit under the Title XVII, Part 4, Division first of the Civil Code of the State of California and under the laws of this State.

And, we do hereby certify:

FIRST, That the name of said Corporation shall be Pacific Union College Association.

SECOND, That the purpose for which said Corporation is organized is:

To found, manage, and operate institutions of learning primarily for the religious instruction of students of both sexes in the Holy Scriptures, as well as instruction in the arts and sciences, languages, and the various mechanical, agricultural, industrial, business and professional pursuits, trades or occupations.

With power to grant such literary and scientific honors and degrees as are usually granted by any university, college, or seminary of learning in the United States to all who complete one or more of the prescribed courses of study; and in testimony whereof to give suitable diplomas under the corporate seal and signatures of such officers and professors of the Corporation as the Board of Trustees shall deem expedient.

With power to purchase and lease and to receive and to hold by purchase, gift, donation, bequest, devise or grant, real and personal property for educational purposes, connected with the Corporation, or for the benefit or endowment of the Corporation and its colleges, or seminaries of learning and institutions under its control; with power to sell, mortgage, pledge, lease, or otherwise use and dispose of the property of the Corporation; with power to borrow money and to execute its corporate promissory note or notes, and to pledge and mortgage such of its property as its Trustees may deem necessary.

With power to provide for and furnish means of literary, scientific, and professional education, and to give such education to persons desiring degrees in the arts and sciences, and to direct and prescribe such discipline as may be fit and proper to be observed by the Corporation and its colleges or seminaries of learning, and to appoint professors and tutors for the purpose of giving instruction in the arts and sciences.

With power to appoint a president of the colleges, and such deans and principals, professors, instructors, and other officers as may be proper, who shall hold office during the pleasure of the Trustees.

With power to charge and collect such tuition, fees, dues and other charges from those who shall participate in or make use of its facilities for learning and and research as the Trustees may from time to time prescribe.

With power to receive and apply any donation or bequest and devise, made for particular purposes accordant with the design and purpose of this Corporation, and in such case to hold and to use such donation or bequest in conformity with the express conditions of the donor or devisors.

With power to make all bylaws and ordinances necessary and proper to carry into effect the powers of this Corporation, and expedient to advance the interests thereof.

With power to declare vacant the seat of any Trustee who shall not conform to the law or the ordinances or Bylaws of the Corporation and to remove in such manner as the Bylaws shall specify such presidents, deans, professors, tutors, and officers as may from time to time not fulfill the duties of their positions in conformity with the best interests of the colleges or seminaries of learning of this Corporation.

With power to hold, purchase and acquire, and receive by lease, deed, gift, bequest, and devise, and any other lawful means, such land and water-rights and other property and privileges as may be necessary, useful and convenient in entering upon, promoting, maintaining and carrying out the objects of said Corporation; with power to apply and use, for the extension of such work and other educational work as may be voted and authorized by the Board of Trustees, all profits accruing from such business and from gifts, bequests, legacies, devises, donation and otherwise.

With power to purchase, erect, maintain, construct and conduct a general store and engage in such agricultural and industrial pursuits as may be for the benefit and extension of the objects of this Corporation.

With power to become a member in any other institution of learning having for its object the education and training of students of both sexes.

With power to fix and pay the salaries of the president, deans, professors, and other officers and salaried employees of the college or seminaries of learning of this Corporation.

With power to do any and all things proper to be done for the purpose of carrying into effect the objects and purposes for which the Corporation is formed. All of which said purpose shall be without paying dividend to any one or private profit.

THIRD, The place where the principal business of said Corporation is to be transacted is at Pacific Union College on Howell Mountain, at Angwin, near St. Helena, County of Napa, State of California.

FOURTH, The number of Trustees of said Corporation shall be not less than 15 or more than 30, all of whom shall serve for 5 years from and after their election, and continue in office until their successors are elected and appear for duty. They shall all belong to the Seventh-day Adventist Church in good and regular standing. Said Trustees shall be elected by a constituency composed of the Executive Committee of the Pacific Union Conference of Seventh-day Adventists, members of the Executive Committee of the General Conference of Seventh-day Adventists in attendance at any meeting of the Corporation, the regular duly elected and accredited and acting delegates to the regular meetings of the Pacific Union Conference of Seventh-day Adventists while in conference assembled, and the Board of Trustees of this Corporation.

FIFTH, This corporation has no capital stock, and pecuniary profit is not its object.

SIXTH, The constituency of this Corporation shall consist of the members of the Executive Committee of the Pacific Union Conference of Seventh-day Adventists, members of the Executive Committee of the General Conference of Seventh-day Adventists in attendance at any meeting of the Corporation, the duly accredited delegates from the local conferences within the borders of the Pacific Union Conference in session assembled, and the Board of Trustees of the Corporation. Forty of said members shall constitute a quorum for the transaction of the business of said Corporation, including the adoption, repeal, and amendment of Bylaws, and the election of Trustees.

SEVENTH, The regular meetings of this Corporation shall be held in connection with the meeting of the Pacific Union Conference of Seventh-day Adventists at such time and place in the State of California as the Executive committee of said Conference may select in accordance with the constitution, canons, and rules governing said body, and such special meetings shall be held as may be deemed necessary or expedient.

IN WITNESS WHEREOF, WE, the said persons hereby associating ourselves together for the purpose of incorporation, have hereunto set our hands and seals this 14th day of April, A. D., 1913.

(Signed and sealed) E.E. Andross
C.W. Irwin
E.W. Farnsworth
W.C. White

C.C. Lewis
George A. Irwin
C.H. Jones

RESTATED

ARTICLES OF INCORPORATION
OF
PACIFIC UNION COLLEGE ASSOCIATION

WALTER D. BLEHM and D. MALCOLM MAXWELL certify that:

1. They are the Chairman and the Secretary, respectively, of the Board of Trustees of Pacific Union College Association.
2. The Articles of Incorporation of said corporation are amended and restated to read as herein set forth in full:

FIRST, That the name of said corporation shall be PACIFIC UNION COLLEGE.

SECOND, This corporation is a religious corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Religious Corporation Law primarily for religious purposes. More specifically, the purposes of this corporation are to found, manage, and operate institutions of learning primarily for the religious instruction of students of both sexes in the Holy Scriptures, as well as instruction in the arts and sciences, languages, and the various mechanical, agricultural, industrial, business and professional pursuits, trades or occupations as part of the system of educational institutions established and operated throughout the world by the Seventh-day Adventist Church.

The ancillary purposes of this corporation are to do and engage in all lawful activities that are in furtherance of one or more of the purposes of the corporation.

THIRD, This corporation is organized and operated primarily for religious purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

FOURTH, The property of this corporation is irrevocably dedicated to religious purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof, or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated primarily for religious purposes and which has its tax exempt status under Section 501(c)(3) of the Internal Revenue Code. Such nonprofit fund, foundation or corporation shall be the Pacific Union Conference of Seventh-day Adventists, a religious corporation organized and operated primarily for religious purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, if it qualifies as a distributee at the time for distribution pursuant to the provisions of these Articles. If it does not then qualify, the nonprofit fund, foundation or corporation shall be designated by the trustees, or if they shall fail to so designate within a reasonable time, by the executive committee of the General Conference of Seventh-day Adventists and the executive committee of the Pacific Union Conference of Seventh-day Adventists meeting in joint session. If both the trustees of said executive committees fail to so designate within a reasonable time, designation shall be by a court having jurisdiction.

FIFTH, These Articles of Incorporation may be amended by a two-thirds (2/3) vote of the constituents present at a regular or special meeting of the constituents of this corporation. These articles may also be amended by a two-thirds (2/3) vote of the Board of Trustees of this corporation followed by ratification by the Executive Committee of the Pacific Union Conference.

SIXTH, This corporation elects to be governed by all of the provisions of the Nonprofit Corporation Law of 1980 not otherwise applicable to it under Part 5 thereof.

3. The foregoing Amendment and Restatement of Articles of Incorporation have been duly approved by the Board of Trustees of said corporation.

4. The corporation has no members but the foregoing Amendment and Restatement of Articles of Incorporation have been approved by the constituency of the corporation as defined in the Bylaws of said corporation.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Dated: March 10, 1986

(Signed) WALTER D. BLEHM, Chairman
 D. MALCOLM MAXWELL, Secretary

BYLAWS OF PACIFIC UNION COLLEGE

ARTICLE I. Name

The name of this Corporation is Pacific Union College (hereafter referred to as “College”).

ARTICLE II. Location

The principal office of this Corporation is located in Angwin, County of Napa, State of California. The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

ARTICLE III. Legal Entity

The term Pacific Union College is used to refer to the entire organization and is the legal entity responsible for the functioning of its various divisions which include but are not limited to:

- a. The Albion campus
- b. The Angwin campus
- c. The Los Angeles campus

ARTICLE IV. Corporation Officers

The officers of the Corporation shall include a president, a secretary, and a treasurer. The President of the Corporation shall be the President of Pacific Union College. The Secretary shall be the Vice President for Academic Administration for Pacific Union College and the Treasurer shall be the Vice President for Financial Administration for Pacific Union College. These officers shall be appointed by the Board of Trustees.

ARTICLE V. Purposes

Pacific Union College is a corporation which is sponsored and maintained by the Pacific Union Conference of Seventh-day Adventists as an educational institution of the Seventh-day Adventist Church. The particular objectives for which this institution is formed are set forth in the Articles of Incorporation and include the establishment, maintenance, and conduct of Seventh-day Adventist institutions of higher education as part of the system of educational institutions established and operated throughout the world by the Seventh-day Adventist Church (hereafter referred to as “Church”). This Corporation is an integral subordinate unit and part of the Pacific Union Conference of Seventh-day Adventists.

ARTICLE VI. Constituency

Section 1: This Corporation shall have a constituent membership whose qualifications and term of membership are set forth herein. Members shall have only those rights and duties as specifically set forth in these Bylaws. In addition, the Corporation may refer to persons associated with it as “members” even though those persons are not members as defined below. (References in these Bylaws to “members” are not references to such associated persons.) No such reference shall constitute anyone a member within the meaning of Section 5056 of the *California Corporations Code*.

Section 2: It shall be the function of the constituent members of this Corporation to attend official sessions of the Corporation; to inform themselves on the business of the Corporation to be transacted; to elect the members of the Board of Trustees; to remove Trustees; to amend the Articles of Incorporation; to adopt, amend or repeal a merger agreement; to approve an election; to wind up and dissolve the Corporation; and to transact any other business as may properly come before the constituency of the Corporation.

Section 3: The constituent members of this Corporation shall all be members of the Church in regular standing and shall include the following individuals:

- a. The members of the Executive Committee of the Pacific Union Conference of Seventh-day Adventists.
 - b. The members of the Board of Trustees of Pacific Union College.
 - c. Three (3) representatives each from the Central California and Northern California Conferences, and one (1) representative from the Nevada-Utah Conference. These representatives shall be elected by the Executive Committees of the respective conferences from nominations submitted by the members of the Executive Committees and by the appropriate local chapters of the alumni association of the College.
 - d. The Vice Chair of the Academic Senate.
 - e. The two members of the College faculty elected as Board Observers.
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Section 4: The constituency in session shall be chaired by the President of the Pacific Union Conference of Seventh-day Adventists. The President of Pacific Union College shall serve as secretary for the sessions.

Section 5: Meetings of the constituent membership of the Corporation shall be held on the College campus not less frequently than in alternate academic years. Notice in writing shall be given by:

- a. Mail sent not less than thirty (30) days nor more than sixty (60) days prior to the date of such a meeting and shall be effective when mailed, postage prepaid, to the last known address of the constituent member, according to a list of constituent members certified by the Secretary of the Board of Trustees; and
- b. An agenda, together with supporting materials, mailed to each member not less than fifteen (15) days prior to the date of the meeting. Additional items may be added to the agenda following the mailing of the notice.

Section 6: *Robert's Rules of Order* shall govern the conduct of the meetings of the constituency.

Section 7: Special meetings of the constituency may be called by vote of the Board of Trustees, or shall be called upon the written request of not less than thirty percent (30%) of the constituent members as defined in Section 3 of this Article, after such written request has been delivered to the Chair, the Vice Chair, or the Secretary of the Board of Trustees. The Secretary shall give notice of such special meeting in the same manner as for the Board of Trustees. Such notice shall specify the items of business to be considered. Items of business not specifically set forth in the notice, or not deriving from or directly related to the items announced in advance, shall not be considered at that special meeting.

Section 8: A majority of the constituent members shall constitute a quorum for the transaction of business. If a quorum has been established, business may be transacted despite the withdrawal of members, provided that any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 9: Voting shall be by voice, roll call, or hand vote at the discretion of the Chair, unless a secret ballot is requested. Ballots shall be counted by a committee of three (3) tellers appointed by the Chair.

ARTICLE VII. Board of Trustees

Section 1: Subject to the provisions of the *California Corporations Code* and any limitations imposed by the Articles of Incorporation or these Bylaws, and in accordance with the principles of the Seventh-day Adventist Church, all religious and secular activities, business, and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Trustees.

The Board of Trustees shall have a membership of not fewer than twenty-one (21) nor more than twenty-five (25). (These numbers shall not include the Emerita, Emeritus or Honorary Trustees referred to in Sections 5 & 6 below or the Permanent Invitees referred to in Section 7 below.) The exact number of Trustees shall be determined, within those limits, by resolution adopted by the Board of Trustees. All members of the Board of Trustees shall be members of the Seventh-day Adventist Church in regular standing.

Other than the ex-official Trustees, specified in Section 4 of this Article, the trustees shall be elected by the constituent members from a list of nominees nominated by the Board of Trustees. Notwithstanding the foregoing, the constituent members may supplement or replace the list of nominees for Trustee, if the constituent members determine that the list of nominees nominated by the Board of Trustees is inadequate. In choice of nominees, consideration shall be given to men and women capable of representing the various ethnic groups and geographic areas within the Pacific Union Conference of Seventh-day Adventists (this shall not preclude the selection of Trustees whose residence lies outside the Pacific Union Conference of Seventh-day Adventists).

Section 2: Trustees specified in Section 4:e of this Article shall be elected to a six-year term and may be elected to a second six-year term. Such trustees shall not be elected to more than two consecutive full terms unless a special request for an exception is made by the Board of Trustees and approved by the constituent members. To provide continuity, approximately one-third of the Trustees specified in Section 4:e in this Article shall be elected at each regular, alternate-year constituency meeting.

Section 3: The Board of Trustees may fill any vacancy occurring in its membership for the unexpired term of a Trustee.

Section 4: The following shall be members of the Board of Trustees:

- a. The President, the Vice President, the Secretary, and the Treasurer of the Pacific Union Conference.
 - b. The Director of Education of the Pacific Union Conference.
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- c. The President of Pacific Union College.
- d. The Presidents of the Central California, Hawaii, Northern California, and Nevada-Utah Conferences of Seventh-day Adventists.
- e. A majority of the Trustees shall not be employed by or be receiving retirement compensation from any entity of the Church.

Section 5: The Board may elect as Emerita or Emeritus Trustee any person who has been elected to membership on the Board as provided in Article VII, Section 2 and who has served not fewer than two full terms (a total of twelve years) or whose service as a member of the Board of Trustees terminates after his/her seventieth birthday. Recommendations shall be made to the Board of Trustees by the Membership Committee. An Emerita or Emeritus Trustee shall receive all notices and minutes sent to other members and shall be invited to attend Board meetings with voice.

Section 6: The Board may elect as Honorary Trustee any person whose extraordinary and distinctive service to the College clearly merits exceptional recognition. Recommendations shall be made to the Board of Trustees by the Membership Committee. Persons nominated for this position may or may not have been regularly elected members of the Board but shall not be persons eligible for the status of Emerita or Emeritus Trustee. Any Honorary Trustee shall receive all notices and minutes sent to other members and shall be invited to attend Board meetings with voice.

Section 7: The following shall be Permanent Invitees to all sessions of the full Board:

- a. The President of the Pacific Union College Alumni Association.
- b. A representative of Adventist Health.

A Permanent Invitee shall receive all notices and minutes sent to Board members and shall be invited to attend Board meetings with voice.

Section 8: Additional interested persons or counselors may be invited to attend meetings of the Board of Trustees by the Chair or by vote of the Board of Trustees.

Section 9: A major responsibility of the Board of Trustees is to develop financial support adequate for the operation and development of the College.

Section 10: An important role of the Board of Trustees is to develop policies that govern the affairs of the College. In meeting this objective, and thus in helping the College to fulfill its mission, the Board must continually evaluate the needs of Seventh-day Adventist young people educationally, occupationally, morally, spiritually, and socially.

The President, administration, faculty, and staff of the College are accountable to the Board of Trustees through the President for competence and for recommendations in all areas of policy and planning. The Board of Trustees reserves to itself final authority for certain approvals, authorizations and control. The functions of the Board of Trustees shall include but not be limited to the following:

- a. To complete the organization of the Board of Trustees. The Chair shall be the President of the Pacific Union Conference of Seventh-day Adventists. The Vice Chair shall be selected by a majority vote of the Board of Trustees from among those individuals not employed by the Church. The Secretary shall be the President of Pacific Union College. A recording secretary who may or may not be a member of the Board of Trustees may be appointed subject to approval of the Board of Trustees. The organization of the Board of Trustees shall include participation in the selection of members for all standing and ad hoc committees and the naming of a chair for each.
 - b. To order and/or control all affairs and business of the College.
 - c. To formulate, revise, and maintain official policies.
 - d. To approve major policy handbooks of the College.
 - e. To remove from membership on the Board of Trustees and declare vacant the seat of any Trustee for cause; provided, however, that such removal and declaration, to be effective, shall be approved by an affirmative vote of not fewer than two-thirds (2/3) of the total membership of the Board of Trustees. A Trustee shall be removed for cause which shall include but not be limited to fraudulent acts, expressed hostility toward the College or its constituency, or any activity which is inimical to the welfare of the College. A Trustee may be removed for failure to attend at least two-thirds (2/3) of the Board meetings within a fiscal year. Emerita, Emeritus and Honorary Trustees, and Permanent Invitees are exempt from attendance requirements.
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- f. To recruit, appoint, promote, discipline, reassign, or discontinue the employment of, the officers of the College, other major administrative personnel, academic department chairs, and faculty members of the College. Appointment, promotion, demotion, or removal of other personnel may be delegated.
- g. To evaluate the effectiveness of policies and/or personnel, and to make changes thereof in harmony with the objectives of the College.
- h. To grant emeritus status to administrative and academic personnel.
- i. To authorize the acquisition and disposition of real property.
- j. To authorize the collection and disbursement of funds by designated officers.
- k. To authorize the officers of the College to execute annuity agreements, trust agreements, life income agreements and other documents entrusted to the College.
- l. To adopt annual budgets.
- m. To receive and review the annual report of the Auditor.
- n. To appoint any standing or ad hoc committees of the Board of Trustees as the Trustees may deem necessary for the efficient functioning and development of the College and to define the responsibilities of such committees.
- o. To exercise all of the powers conferred by the *California Corporations Code* as it relates to non-profit religious corporations or other applicable laws consistent with the policies of the Pacific Union Conference of Seventh-day Adventists.

Section 11: It shall be the function of the Chair of the Board of Trustees:

- a. To preside at meetings of the constituency of the College and of the Board of Trustees.
- b. To ensure that all actions of the constituency and all actions of the Board of Trustees are carried into effect through the College President.
- c. To invite additional persons as consultants to attend meetings of the Board of Trustees and its committees.
- d. To be informed of the work of the various committees, faculties, and activities of the College.
- e. To represent the Board of Trustees when working with the College President to solve problems that occur between sessions of the Board of Trustees.
- f. To perform such other duties as the Board of Trustees shall delegate.

Section 12: It shall be the function of the Vice Chair of the Board of Trustees, in case of the Chair's absence or inability to act, to exercise all functions of the Chair. In the event the Vice Chair is unable to function, the Secretary of the Board may call a special session of the Board for the purpose of appointing an acting chair.

Section 13: It shall be the function of the Secretary of the Board of Trustees to keep a full and complete record of the proceedings of the meetings of the constituency of the Corporation and of the Board of Trustees. The Secretary shall also assist the Chair in arranging meeting schedules and in developing the agenda and shall perform such other functions as may be assigned by the Chair or by the vote of the Board of Trustees.

Section 14: If a Recording Secretary has been appointed as defined in Section 6:a of this Article, it shall be the function of the Recording Secretary of the Board of Trustees to keep the minutes of all sessions of the Board of Trustees, and to perform other duties as may be delegated by the Secretary or authorized by the Board of Trustees.

Section 15: The Board of Trustees shall be organized and the new members seated at the first regular meeting after the constituency meeting in which they were elected.

Section 16: The Board of Trustees shall meet on the Pacific Union College campus in Angwin, California, or elsewhere by designation of the Chair or by the vote of the Board of Trustees. Either the Chair or the Vice Chair or the acting chair of the Board of Trustees shall be present at all meetings.

Section 17: *Robert's Rules of Order* shall govern the conduct of the meetings of the Board of Trustees.

Section 18: Notice of a meeting of the Board of Trustees, together with a tentative agenda and supporting materials, shall be mailed to the Trustees not less than fifteen (15) days prior to the date of the meeting. Additional items may be added to the agenda following the mailing of the notice.

Section 19: Meetings of the Board of Trustees shall occur at least four times annually, including at least one meeting each Fall, Winter, and Spring quarter. Special meetings of the Board of Trustees may be called by the Chair or the Vice Chair or the acting chair, and shall be called upon request of not fewer than twenty percent (20%) of the Trustees delivered to the Chair, the Vice Chair or the Secretary.

Section 20: The Secretary shall notify the Trustees of such special meetings in the manner described above, except that a meeting may be called on shorter notice if all of the Trustees are notified of the meeting and if a majority of the Trustees approve of the time set.

Section 21: When it is determined by the officers (as delineated in Section 10:a above) of the Board of Trustees that the consensus of the Trustees must be determined before it is possible for the Board to assemble for either a regular or a special session, the members may be polled by letter or telephone. Any action taken by one of these methods must be confirmed at the next regular meeting. Telephone conference meetings may substitute for regularly scheduled meetings.

Section 22: A majority of the Trustees shall constitute a quorum for the transaction of business. If a quorum has been established, business may be transacted despite the withdrawal of members, provided that any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 23: A Trustee shall be considered to have a conflict of interest if the Trustee has existing or potential financial or other interests which impair or might reasonably appear to impair the exercise of independent, unbiased judgment in the discharge of responsibilities to the College; or if the Trustee is aware that a family member (a spouse, parent, sibling, or child, or any relative residing in the same household as the Trustee), or any organization in which the Trustee (or a family member) is an officer, director, employee, member, partner, Trustee, or controlling stockholder, has such existing or potential financial or other interests.

All Trustees shall disclose to the Board of Trustees any possible conflict of interest at the earliest practicable time. No Trustee shall vote on any matter under consideration at a meeting of the Board or any of its committees in which the Trustee has a conflict of interest. The minutes of such a meeting shall reflect that a disclosure was made and that the Trustee having a conflict of interest abstained from voting. Any Trustee who is uncertain whether a conflict of interest may exist in any matter may request the Board of Trustees or committee of the Board to resolve the question by a majority vote.

ARTICLE VIII. College Officers

Section 1: The officers of Pacific Union College consist of the President, the Vice President for Academic Administration, the Vice President for Financial Administration, and other vice presidents who may be selected by the Board. The President and the Vice Presidents shall be appointed by the Board of Trustees whenever there is a vacancy. The Board shall consult with the President in the selection and appointment of Vice Presidents. Officers shall serve at the pleasure of the Board of Trustees and may be removed at any time with or without cause or prior notice.

Section 2: The President shall be the chief administrative officer of the College and shall be responsible for the general direction of its operating units. The President or the President's designee shall represent the College before the public, shall preside at all public academic occasions, and shall represent the College on the Board of Trustees, and shall also:

- a. Direct the implementation of the policies and the fulfillment of the directives of the Board of Trustees.
- b. Render to the Board of Trustees an annual comprehensive report that includes the annual audited financial statement.
- c. Present the annual budget of the College to the Board of Trustees.
- d. Serve as Secretary for the Board of Trustees and the Corporation. This function shall include but not be limited to:
 1. Determining agenda items in consultation with the Chair of the Board of Trustees, including agenda items submitted by Trustees that are received more than twenty (20) days before the scheduled date of the meeting. The agenda shall be mailed to Trustees at least fifteen (15) days before a meeting.
 2. Assisting the Chair in the development of schedules for all meetings of the Board of Trustees.
 3. Keeping a full and complete record of the proceedings of the meetings of the constituency of the Corporation and of those of the Board of Trustees.
 4. Keeping the corporate seal of the College and affixing the same to such papers and instruments as may be required in the regular course of business.

5. Signing deeds, conveyances, mortgages, contracts, promissory notes, annuity agreements, trust agreements, life income agreements, and other instruments of similar character and import.

Section 3: The President shall exercise such specific powers and functions as are assigned by the Board of Trustees. In the exercise of these powers and functions the President shall be assisted by the Vice Presidents in their respective areas of responsibility, each of which is an extension of the President's office.

Section 4: In the event that the President for reasons of absence, health, or any other reason shall be or become unwilling or unable to serve as chief administrative officer of the College, then in that event, during such interim, the duties of the President shall be performed by any vice president designated by the Board. In the absence of any such designation, the Vice President for Academic Administration shall become the acting chief administrative officer of the College until such time as the President actually takes up such responsibilities or the Board of Trustees shall otherwise provide. In the event that both the President and the Vice President for Academic Administration should for any reason be unable or unwilling to serve, then in that event the Vice President for Financial Administration shall assume the responsibility of the acting chief administrative officer of the College.

Section 5: In the event that an administrative officer is unable to serve, the President may designate a temporary replacement.

Section 6: The Vice President for Academic Administration, who shall be responsible to the President, shall be the chief officer responsible for the general functioning and academic integrity of the educational system and units of the College, subject to the reservation of powers of the President and to the organization and policies approved by the Board of Trustees. The Vice President for Academic Administration shall perform such duties as generally pertain to the office of the Secretary for the Corporation, and shall perform such other duties as the President may delegate or the Board of Trustees may authorize.

Section 7: The Vice President for Financial Administration, who shall be responsible to the President, shall be the chief business officer of the College charged with maintaining its fiscal integrity subject to the reserve of powers of the President and to the organization and policies approved by the Board of Trustees. The Vice President for Financial Administration shall be responsible for the preparation and administration of the budgets for all units of the College and for their accounting methods and procedures; shall receive, keep safely, and disburse all funds; shall manage, maintain, and secure the physical plant facilities and grounds; shall prepare appropriate reports and analyses; and shall perform other such duties as the President may delegate or the Board of Trustees may authorize.

ARTICLE IX. Auditor

Section 1: The Auditor of Pacific Union College shall be provided by the General Conference Auditing Service.

Section 2: The Board of Trustees may employ other auditors and/or auditing services as they shall deem necessary or appropriate.

ARTICLE X. Records

There shall be kept at all times such records as may be necessary, including but not limited to:

- a. A corporate journal in which shall be recorded the names of the Trustees present at each meetings of the Board of Trustees and the names of members present at all meetings of the constituency; the time and place of holding same, whether regular or special, and if special the object and nature thereof and notice given. The record shall show each action taken. When requested by twenty percent (20%) of the constituency or of the Trustees who are present, a record of ayes and noes shall be made. Any protest of any action filed in writing by any Trustee or constituent member shall be entered in full in the record.
 - b. Perfect, just, and true books of account in which shall be recorded money received and expended by authorized persons on behalf of the institution; any internal adjustments made to the foregoing financial records; and all property, goods, wares, commodities, and merchandise bought or acquired in any manner in the control, management, and exercise of this institution. These shall be accurately recorded and the books maintained according to generally accepted accounting principles and procedures. Such books in all operating units shall be open to the inspection of any Trustee during regular office hours by arrangement in advance with the Vice President for Financial Administration and to the inspection of any other person duly authorized by the Board of Trustees.
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- c. A membership book in which shall be listed the names of the constituent members and their last known addresses. Said records shall be kept in the custody of the Secretary at the principal office of the College.

ARTICLE XI. Amendments

These Bylaws may be amended by the Board, except where member action is required by law. The Bylaws may also be amended by a majority vote of the constituent members present at a regular or special meeting of the constituency of the Pacific Union College Corporation when the proposed amendment does not conflict with federal or state laws or with the Articles of Incorporation. When it is proposed to recommend a change of the Bylaws at a meeting of the Board of Trustees or at the meeting of the constituency of the Corporation, notice shall be given to that effect in the call for the meeting.

ARTICLE XII. Inspection

These Bylaws, and all amendments thereto, shall be recorded in a minute book which shall be kept by the Secretary of the Board of Trustees at the principal office of the College and may be inspected at any time during regular office hours by constituent members.

ARTICLE XIII. Contracts and Agreements

No contracts or agreements executed by any officer of this College without authorization specifically granted to said officer by the Board of Trustees shall be valid without previous authorization of or subsequent ratification by the Board of Trustees. Election or appointment to any office shall not constitute a contract of employment.

ARTICLE XIV. Indemnification

Section 1, Right of Indemnity: To the fullest extent permitted by law, this Corporation shall indemnify its members, officers, employees, and other persons described in Section 9246(a) of the *California Corporations Code*, including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section and including an action by or in the right of the Corporation, by reason of the fact that such person is or was a person described by that Section. "Expenses" as used in this Bylaw shall have the same meaning as in Section 9246(a) of the *California Corporations Code*.

Section 2, Approval of Indemnity: On written request to the Board of Trustees by any person seeking indemnification under Section 9246(b) or Section 9246(c) of the *California Corporations Code*, the Board shall promptly determine in accordance with Section 9246(a) of the *California Corporations Code* whether the applicable standard of conduct set forth in Section 9246(b) or Section 9247(c) has been met and, if it has, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of members who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum who are not parties to that proceeding, the Board shall promptly call a meeting of members of the Corporation. At that meeting, the members shall determine under Section 9246(e) of the *California Corporations Code* whether the applicable standard of conduct set forth in Section 9246(b) or Section 9247(c) has been met and, if it has, the members present at the meeting in person shall authorize indemnification.

Section 3, Advancement of Expenses: To the fullest extent permitted by law and except as is otherwise determined by the Board of Trustees in a specific instance, expenses incurred by a person(s) seeking indemnification under Sections 1 and 2 of Article XIV of these Bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person, that the advance will be repaid unless it is ultimately determined that the person is entitled to the indemnified by the Corporation for those expenses.

Section 4, Insurance: The Corporation shall have the power to purchase and maintain insurance on behalf of its members, officers, employees, and other agents against any liability asserted against or incurred by any members, officer, employee, or agent in such capacity or arising out of the member's, officer's, employee's, or agent's status as such.

Dated this fifteenth day of April, 1999.

(Signed) THOMAS J. MOSTERT, Chair

D. MALCOLM MAXWELL, Secretary

STATEMENT OF ETHICS AND TRUSTEE RESPONSIBILITIES

Additional Functions and Ethical Considerations for the Board of Trustees

The authority of the Board of Trustees is derived from the constituency of Pacific Union College. The constituency in session has approved the By-Laws which include statement describing the authority of the Board and a list of the principal functions of that body. The Board of Trustees has acted within that authority to provide, as stated below, clarifying statements pertaining to the responsibilities of the Board and its members, and pertaining to the standards of ethics which have been adopted.

Section 1

Additional functions of the Board of Trustees shall be:

- a. To make a continuing study of the mission of the College and to make clear statements of the results of those studies for the benefit of College personnel and the constituency. These statements shall delineate the distinctive religious character of the College, its commitment to academic freedom and its dedication to promoting community service, teaching and research.
- b. To monitor College activities to insure that Pacific Union College fulfills its mission to serve the Seventh-day Adventist Church and to provide quality educational programs and services in response to the needs of the constituency. Evaluations shall be made in terms of policy statements recorded in the minutes of the Board of Trustees.
- c. To provide a clear statement of the expectations of the Board of Trustees in regard to student, staff, faculty and administrator standards of behavior.
- d. To provide the right of due process and redress of grievances to those within its jurisdiction.
- e. To give direction in regard to the types of educational programs which should be provided. This may involve the initiation or approval of long-range planning for educational programs and campus development.
- f. To order all affairs and business of the institution and to make sure that College officers manage the affairs of the College, including its financial operations, with honesty and integrity and that the business policies maintain financial solvency.
- g. To implement the commitment to equal opportunity for qualified men and women of any handicap, race, color, or national or ethnic origin. This implementation shall include practices pertaining to the hiring of faculty and staff personnel, admissions, student life and services, and any other College administered program.
- h. To fully inform faculty, staff and students, prior to employment or admission, regarding specific interpretations of codes of conduct by the Board of Trustees.
- i. To protect administrators, faculty, staff and students from pressures from individuals or groups whose activities are not authorized by the Board of Trustees and which might interfere with the mission of the College.
- j. To cooperate with the state and national educational associations and accrediting bodies which serve the best interests of the College.
- k. To monitor and evaluate the procedures of the Board of Trustees.
- l. To interpret the community to the College.

Section 2

It is the functional responsibility of individual members of the Board of Trustees:

- a. To become familiar with and committed to the functions of the Board of Trustees.
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- b. To regularly attend, carefully prepare for and actively participate in meetings of the Board of Trustees and committee sessions.
- c. To understand the educational program of Pacific Union College and to evaluate it in terms of institutional goals.
- d. To learn how the College functions and to devote time, thought and effort in order to render effective and credible service.
- e. To support the institution by doing all that is possible to improve its image in the minds of constituents and by supporting its fundraising efforts through personal giving and by sharing in the solicitation of others.

Section 3

It is the ethical responsibility of individual members of the Board of Trustees:

- a. To keep in mind the mission and goals of the College when making decisions and to reject actions which are merely expedient. Personal decisions shall be based on all available facts in each situation. Individual votes shall result from honest conviction, unswayed by partisan bias of any kind. Trustees shall make clear to other trustees any significant disagreement with an action under consideration.
- b. To work with other trustees in a spirit of decency, harmony, and cooperation in spite of differences of opinion that may arise during vigorous debate on issues.
- c. To recognize that the legal authority of the Board of Trustees is only expressed by action of the Board as a group and that individual members have no legal authority. Trustees shall conduct relations with constituents, the College staff and the community accordingly.
- d. To act or speak in behalf of the Board of Trustees or of the constituency of Pacific Union College only when prior authorization has been granted.
- e. To maintain the confidentiality of deliberations of the Board of Trustees and to abide by and uphold the final actions taken.
- f. To be aware of and consistently use designated institutional channels when conducting the business of the Board of Trustees.
- g. To refrain from inviting persons to sessions of the Board of Trustees unless authorized by the Chairman or by vote of the Board.
- h. To refrain from interference with the president and his staff in the conduct of administrative business.
- i. To abstain from all forms of personal remuneration or patronage that might develop as a result of association with the College.
- j. To demonstrate attitudes and personal conduct which reflect the standards of the Seventh-day Adventist Church and to refrain from actions or involvements which might prove embarrassing to the institution.

THE MISSION OF THE COLLEGE

Pacific Union College is a Christian liberal arts college sponsored by the Seventh-day Adventist Church. Its mission is to prepare its students for fellowship with God and service to Him through service to humanity. To achieve its mission, the College offers an excellent education, informed by a distinctive Seventh-day Adventist Christian point of view, to all who appreciate the school's unique values and its integration of faith and learning. Paying special attention to Christianity's role in civilization, the College considers liberal arts study with a Christian perspective to be uniquely valuable not only for its own sake, but also as a basis for career training and professional life.

Christian Liberal Education

Liberal arts education with a Christian perspective prepares one to live in responsible human freedom. Such study promotes a balanced self-development.

It frees one from the confines of personal experience and immediate interests and encourages entering with understanding into the experience of others. It advocates at once a tolerance of differing views, the respect those views deserve, and vigorous engagement with them. It fosters those lifelong habits of curiosity and serious inquiry that sustain the growth of the human spirit. It develops creative self-expression, including the ability to speak and write articulately. It provides breadth and flexibility for coping and adapting in a changing world.

The Major

As an essential part of their liberal arts education, students choose majors for specialized study in harmony with their personal interests and as preparation for successful entry into their chosen careers or into graduate study. The College regularly reviews all programs to maintain their quality and to ensure that they respond to current student demand and to the changing needs of the Church and the larger community.

General Education Core

The structured general-education core gives scope of knowledge. The liberal arts emphasis in both the major and the general-education core promotes quality of understanding. The graduate should therefore have a growing knowledge and an enlightened appreciation of the major areas and modes of learning. A personally appropriated Christian View of the origin and purpose of human life should give this knowledge coherence for each student.

Independent and Critical Thinking

Beyond giving information, the disciplines of the liberal arts create the environment for students to develop their abilities to think analytically, critically, and independently. Students are challenged to find original solutions for a variety of problems. Such study teaches not only the different modes of inquiry and their valid uses, but also their limitations.

Faith and Learning

In a church-related college, tensions may sometimes occur between the claims of a religious belief system and those of academic pursuits. But because faith without thought is not an acceptable alternative to thought without faith, such unresolved tensions should never force the sacrifice of one to protect the other. Ideally, they should energize creative study of the valid claims of both faith and learning and of their interrelationships. A foundation

of knowledge and understanding strengthens faith. Because the challenge of resolving ambiguities and uncertainties often produces the most valuable new insights, such study should both preserve intellectual honesty and enhance a

faith worth holding. Knowing truth does indeed bring freedom.

Responsible Freedom

Students are urged through their total college experience to evaluate their own convictions and to inform them with enduring cultural values and essential Christian principles. They are invited to recognize that changing times require fresh statement of this heritage, but not its compromise. They are challenged to blend these timeless values and principles in a distinctive lifestyle that includes responding helpfully to human need, wherever encountered, in a natural expression of their own Christian calling. As Jesus showed, the finest incarnation of responsible freedom is in compassionate human service.

The Mission Realized

The mission of the College is therefore partly realized when its students leave the campus well prepared for advanced study and for selfless service to humanity in productive careers marked by uncompromising personal integrity. The mission is more perfectly realized when these same students are set on their way free to approach their potential as persons restored in the image of God and as agents of His grace in the world.

Our mission is to offer an excellent and distinctive Christian education designed to prepare our students for productive lives of useful human service and uncompromising integrity.